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TAGS: PBTS PHSA PREL PGOV ECON CH TW XC

SUBJECT: MFA MAINTAINS CLAIMS TO SOUTH CHINA SEA; URGES

U.S. COMPANIES NOT "TO GET ENTANGLED"

REF: BEIJING 366

Classified By: Political Minister Counselor Aubrey Carlson. Reasons 1.4 (b/d).

11. (C) Summary: China continues to explain its claims in the South China Sea (SCS), including the nine-segment dotted line that traces out its jurisdiction over islands and waters in the SCS and overlaps with territorial and economic exclusion zone claims of five other countries and Taiwan, through historic references rather than international instruments such as the 1982 Convention on the Law of the Sea. MFA Asian Affairs Department Policy Planning Division Deputy Director Zheng Zhenhua told PolOff March 7 that China does not foresee open military conflict in the SCS and will continue to pursue its policy of "shelve differences, mutual development." In the context of China's approaching U.S. oil companies to cease joint hydrocarbon development projects with Vietnam, Zheng urged the United States to "do more" to ensure "peace and tranquility" in the SCS. End Summary.

The Cow's Tongue

¶2. (C) MFA Asian Affairs Department Policy Planning Division Deputy Director Zheng Zhenhua discussed in a recent meeting with PolOff the so-called "Nine-Dashes" or "Cow's Tongue," a nine-segment dotted line on PRC maps of the South China Sea (SCS) that traces out China's jurisdictional claims in the region. First published by the Kuomintang Government in 1947 and referenced in the 1998 PRC Law on the Exclusive Economic Zone and the Continental Shelf, the SCS claims of China (and because of the claim's original historical antecedent, Taiwan) overlap exclusive economic zone and continental shelf claims of Vietnam, Indonesia, Malaysia, Brunei and the Philippines and continue to be a cause of tension among claimants seeking to exploit fishing and hydrocarbon resources in the SCS.

Historical Claim

¶3. (C) "As proof of the indisputable sovereignty of China" over the area it claims in SCS, Deputy Director Zhen referenced the now familiar claim that Chinese inhabited islands in the area during the Eastern Han Dynasty (23-220 A.D.) and that the Chinese had established a form of government "in the modern sense" during the Song Dynasty (420-478 A.D.). Zheng said the Spratly and Paracel islands were under the jurisdiction of the administrative region that became present-day Guangdong province.

Historically Undisputed?

14. (C) Deputy Director Zheng said that from 1947 and through

the 1960s, no country, including the United States, "ever raised questions or doubts about Chinese sovereignty over the Spratly and Paracel Islands." Zheng cited a 1958 letter from North Vietnam Premier Pham Van Dong to Chinese Premier Zhou Enlai purportedly confirming Vietnamese acceptance of Chinese sovereignty over the islands.

... Until 1970s

¶5. (C) Zheng stated that only in the 1970s, during the third the Law of the Sea conference (which resulted in the 1982 Convention of the Law of the Sea - UNCLOS), did other nations begin to dispute Chinese claims in the South China Sea. Because of complexity of the overlapping claims in the SCS and other areas, in the late 1970s, Chinese leader Deng Xiaoping articulated the "shelve differences, mutual development" approach to addressing economic development activities of the SCS and other disputed areas.

SCS Stable

16. (C) Despite the continued contentiousness of competing claims in the South China Sea, Zheng said, the SCS situation is "quite stable," and he foresees "no military conflict" in the region. The 2002 Declaration of Conduct (DOC) on the South China Sea is an "expression of political will" that all parties will show restraint in addressing conflicting claims in the SCS. Deputy Director Zheng said such projects as the 2005 tripartite seismic exploration agreement and annual meetings on marine scientific research involving China, Vietnam and the Philippines will help "enhance trust" in the region.

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Meaning of the Nine-Dash line

17. (C) When asked about China's claims to the waters traced by the "Nine-Dash" line, Zheng provided a printed statement that reads as follows: "The dotted line of the South China Sea indicates the sovereignty of China over the islands in the South China Sea since ancient times and demonstrates the long-standing claims and jurisdiction practice over the waters of the South China Sea." Zheng said that terms such as "historic waters" or "territorial waters," though often used in media and scholarly articles addressing China's SCS claims, are not the Chinese government's official nomenclature for the area of sea within the Nine Dashes.

Relation to UNCLOS

18. (C) Though not explicitly acknowledging that China's claims in the SCS may not be consistent with provisions of the UNCLOS, Deputy Director Zheng said that China's claims in the SCS "predated" the UNCLOS and were not therefore bound by the treaty. Zheng indicated that the many "inconsistencies and exceptions" in UNCLOS provided additional justification for China to define its jurisdictional claims on its own terms.

Territorial Waters

¶9. (C) In a discussion of fishing practices in the SCS, Zheng said that China applies the term "territorial waters" to waters within twelve miles of Chinese territory. He noted that China had formally demarcated a twelve-mile territorial water zone around the Paracel Islands, where China believes its sovereignty claims are unassailable. Zheng said China had not established a similar zone around the Spratly Islands, because China recognizes that territorial claims there are more complex. Zheng affirmed that China "upholds"

the right of free passage of vessels" within the "Nine-Dash" area.

U.S. Companies Should Avoid "Entanglements"

110. (C) Zheng suggested that U.S. companies should avoid "getting entangled" in disputes in the SCS. In that context, he mentioned that the Chinese Consulate General in Houston recently contacted a number of oil companies in Texas, including Chevron and Hunt, requesting that they halt hydrocarbon development projects those companies initiated through agreements with the Vietnamese Government. He noted that Chevron agreed to suspend its participation in the project, at least temporarily. Zheng said China hopes the United States "can do more" to ensure "peace and tranquility" in the area.

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